

AGENDA
FREMONT REDEVELOPMENT AGENCY REGULAR MEETING
JANUARY 11, 2011
7:00 P.M.

1. CALL TO ORDER

2. CONSENT CALENDAR

Items on the Consent Calendar are considered to be routine by the Redevelopment Agency and will be enacted by one motion and one vote. There will be no separate discussion of these items unless an Agency Member or citizen so requests, in which event the item will be removed from the Consent Calendar and considered in its normal sequence on the agenda. Additionally, other items without a "Request to Address the Redevelopment Agency Board" card in opposition may be added to the consent calendar. (In the report section of the agenda, consent items are indicated by an asterisk.)

2.1 *Approval of Minutes – None.*

3. PUBLIC COMMUNICATIONS

3.1 Oral and Written Communications

4. PUBLIC HEARINGS – None.

5. OTHER BUSINESS

5.1 Report Out from Closed Session of Any Final Action

5.2 REDEVELOPMENT AGENCY IMPLEMENTATION PLAN MID-TERM REVIEW
Redevelopment Agency Implementation Plan Mid-term Review

Contact Person:

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RECOMMENDATION: Review and comment on the Redevelopment Agency Implementation Plan Mid-term Review, so that it can be finalized for formal consideration to be scheduled and noticed for June 2011.

5.3 REDEVELOPMENT AGENCY PROJECT CLOSE OUTS
Approve the Close Out of Completed Redevelopment Projects

Contact Person:

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RECOMMENDATION: Approve the close out of the redevelopment projects identified on Enclosure A and return the remaining project appropriations to their respective funds.

5.4 REDEVELOPMENT AGENCY BUDGET MID-TERM REVIEW
Redevelopment Agency Budget Mid-term Review

Contact Person:

Name:	Irene de Jong	Elisa Tierney
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RECOMMENDATION: Review and comment on the proposed list of Redevelopment Agency projects.

6. ADJOURNMENT



5.1 Report Out from Closed Session of Any Final Action

5.2 REDEVELOPMENT AGENCY IMPLEMENTATION PLAN MID-TERM REVIEW

Redevelopment Agency Implementation Plan Mid-term Review

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Executive Summary: California Redevelopment Law (CRL) requires redevelopment agencies to adopt a new implementation plan every five years and to conduct a mid-term public hearing to review the plan. In June 2008, the Fremont Redevelopment Agency adopted its current Implementation Plan for the Fremont Merged Redevelopment Project Area, effective from July 1, 2008 through June 30, 2013, and subsequently amended the Plan in March 2010 in connection with the approval of the Industrial Area Plan Amendment. This mid-term review covers the first half of the Implementation Period (July 1, 2008 - December 31, 2010). The document highlights the Agency's accomplishments since the current Implementation Plan adoption and proposes future initiatives, consistent with the Plan, for the next 2.5 years. A formal public hearing of the Implementation Plan Mid-term Review will be scheduled in June 2011. This report,= and the accompanying Implementation Plan Mid-term Review document provide the Agency Board with a preview of the formal public hearing materials to be presented in June.

BACKGROUND: An Implementation Plan establishes the Redevelopment Agency's policy priorities for the duration of the five-year Implementation Period and provides an explanation of how the Agency's goals, objectives and programs will serve to eliminate blight in the Redevelopment Project Areas. AB 1290 and SB 732, enacted as comprehensive reforms of the California Redevelopment Law (CRL), established regulations requiring each redevelopment agency to adopt an Implementation Plan by no later than December 31, 1994. The regulations also require redevelopment agencies to update the plan every five years and to conduct a mid-term public hearing to review the plan. The current Implementation Plan for the Fremont Merged Redevelopment Project Area is in effect from July 1, 2008 through June 30, 2013, and this Mid-term Review covers the July 1, 2008 - December 31, 2010 period.

DISCUSSION/ANALYSIS: The enclosed mid-term review document consists of two sections: "Accomplishments" and "Future Initiatives." The "Accomplishments" section highlights the Agency's achievements throughout the first half of the Implementation Period for both non-housing projects and affordable housing activities. The non-housing segment of the "Accomplishments" section provides an overview of projects completed or initiated in the four subareas comprising the Merged Project Area, aimed at eliminating blight. These projects fulfill Implementation Plan objectives stated in 2008 and, more specifically, focus on supporting enhanced performance of businesses; stimulating investments in privately owned property; and improving public infrastructure.

The affordable housing segment of the "Accomplishments" section emphasizes the Agency's achievements in increasing Fremont's supply of affordable housing stock through the Agency's investment in the Five Point Program. Specifically, the Five Point Program focuses on the following objectives: new construction of affordable housing, the first time homebuyer program, the home

improvement loan program, apartment acquisition and rehabilitation, and preservation of affordable housing.

The “Future Initiatives” component of the Implementation Plan Mid-term Review outlines and briefly describes a list of the Agency’s proposed projects and programs that will reduce blight in the four subareas of the Merged Project Area and will result in increasing the City’s stock of affordable housing. These future initiatives, largely made possible with the enhanced revenue from the March 2010 Plan Amendment for the Industrial area portion of the Merged Project Area, will include the following non-housing projects: design and construction of the Irvington BART station, implementation of the elements of the Centerville Framework Plan (such as Fremont Boulevard reconfiguration and streetscape work; and exploration of public parking facility and parking district creation), Niles Alleys rehabilitation and improvements, as well as a number of road, streetscape, sidewalk and landscaping improvements throughout the districts. Additionally, staff will continue implementing the Façade Improvement and Commercial Rehabilitation Loan Programs, as well as developing marketing strategies, recruitment and leasing techniques targeted at revitalizing the commercial potential and retail environment in all project areas.

The future initiatives in the area of affordable housing will consist of possible housing for transition age youth, and negotiating financing agreements to create at least one additional new housing development; seeking additional funding sources to leverage the Agency’s affordable housing funds; continuing the implementation of the first time homebuyer program, the home improvement loan program, and the Inclusionary Housing Ordinance; as well as providing assistance for apartment acquisition and rehabilitation (including setting aside funding for energy efficiency measures) and continuing the implementation of the affordable housing preservation strategy (including setting aside funding for a supplemental program for rental subsidy assistance). These proposed projects will be carried out during the remainder of the Implementation Period (until July 1, 2013) and are consistent with goals and objectives stated in the current Implementation Plan.

FISCAL IMPACT: The Implementation Plan Mid-term Review document is submitted for informational purposes only and has no fiscal impact.

ENVIRONMENTAL REVIEW: None.

ENCLOSURE: [Fremont Redevelopment Agency Implementation Plan Mid-term Review](#)

RECOMMENDATION: Review and comment on the Redevelopment Agency Implementation Plan Mid-term Review, so that it can be finalized for formal consideration to be scheduled and noticed for June 2011.

5.3 REDEVELOPMENT AGENCY PROJECT CLOSE OUTS

Approve the Close Out of Completed Redevelopment Projects

Contact Person:

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Executive Summary: The purpose of this staff report is to request that the Agency Board approve the close out of completed redevelopment projects and defund remaining unused appropriations to their respective funds for reprogramming in the upcoming FY 2011/12 Redevelopment Agency budget, work program and CIP. A companion item is also on this evening's City Council agenda, as a number of City's capital projects receive funding contributions from redevelopment sources.

BACKGROUND: Staff maintains a listing of capital projects to be closed and periodically requests Agency Board approval of these close outs, typically in conjunction with the preparation of the Redevelopment Agency budget, work program and CIP. Staff recommends approval of proposed close outs and defunding remaining unused appropriations to their respective funds for reprogramming in the upcoming Agency budget.

DISCUSSION/ANALYSIS: Upon completion, some redevelopment projects have remaining budget appropriations. Historically, projects with over-expended balances are offset against projects with under expended balances within the same fund, and all are closed simultaneously. The close outs enable any remaining project appropriations to be returned to their respective funds for programming in the future Redevelopment Agency budget and work program. Staff recommends that the Agency Board approve the close outs of completed redevelopment projects and defund remaining unused appropriations to their respective funds for reprogramming in the upcoming FY 2011/12 Redevelopment Agency budget, work program and CIP.

FISCAL IMPACT: Remaining unused appropriations from the closed out projects will be returned to their respective funds.

ENVIRONMENTAL REVIEW: None.

ENCLOSURE: [RDA Close Out List](#)

RECOMMENDATION: Approve the close out of the redevelopment projects identified on Enclosure A and return the remaining project appropriations to their respective funds.

5.4 REDEVELOPMENT AGENCY BUDGET MID-TERM REVIEW

Redevelopment Agency Budget Mid-term Review

Contact Person:

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EXECUTIVE SUMMARY: On June 8, 2010, the Redevelopment Agency adopted its annual operating budget, projects appropriations plan and work program for FY 2010/11. At that time, the outcome of the Industrial Area Plan Amendment was unknown because the 90-day legal challenge period did not conclude until later in June. As a result, the Agency adopted an annual budget that was developed under the conservative assumption of the Plan Amendment not moving forward and the Agency reaching its limit on collecting property tax increment during FY 2011/12. In light of these timing constraints, the Agency Board requested that staff return with a mid-term budget review after the legal challenge period for the Plan Amendment concluded and the new \$1.5 billion tax increment cap went into effect. This mid-term budget review is being presented for Agency Board consideration and comments on this evening's agenda.

BACKGROUND: Since 2007, the Agency has been actively pursuing a Redevelopment Plan Amendment in order to collect an additional \$1.1 billion of property tax increment from the Industrial portion of the Merged Project Area. This revenue would enable the Agency to continue and to initiate a number of capital projects and programs aimed at revitalizing the community. To that end, in March 2010, the City Council voted to adopt the proposed Plan Amendment. This action was immediately followed by the commencement of the 90-day legal challenge period, which concluded on June 15, 2010.

Prior to the conclusion of the 90-day legal challenge period, on June 8, 2010, the Agency adopted its annual budget, as required by the California Redevelopment Law. Due to the potential uncertainty associated with the outcome of the Plan Amendment at that time, staff developed a conservative FY 2010/11 budget based on the assumption that the Agency would reach its original \$400 million revenue cap during FY 2011/12. In view of this timing uncertainty, the Agency Board requested that staff return with a mid-term budget review later in the year after the legal challenge period for the Plan Amendment concluded and the new \$1.5 billion fiscal limit on collecting tax increment revenue went into effect. The goal of the mid-term budget review is to consider an expanded list of proposed redevelopment projects and initiatives, developed under the enhanced revenue assumptions. This proposed list of future projects is included in Enclosure 1 of the staff report.

DISCUSSION/ANALYSIS: Successful adoption of the Redevelopment Plan Amendment allows the Agency to collect additional property tax revenue to fund transit and railway improvements, economic development and job creation efforts, building rehabilitation, façade improvement and historic preservation activities; streets, parks and other public infrastructure facilities and landscaping improvements; hazardous materials clean-up; and to provide resources for new and rehabilitated affordable housing opportunities.

Specifically, the Agency will be able to undertake the following major initiatives made possible with the enhanced revenue available from the adoption of the Plan Amendment: design and construction of the Irvington BART station, implementation of elements of the Centerville Framework Plan (such as Fremont Boulevard, reconfiguration and streetscape work; exploration of public parking facilities; and parking district creation), rehabilitation of the Niles Alleys, as well as a number of road, streetscape, sidewalk and landscaping improvements throughout the districts. Additionally, the Agency will continue implementing Façade Improvement and Commercial Rehabilitation Loan Programs, as well as developing marketing strategies, recruitment and leasing techniques targeted at revitalizing the commercial potential and retail environment in all project areas.

The focus of the Agency's major initiatives in the area of affordable housing will be on furthering the Affordable Housing Five Point Program, targeting the City's overall goals to produce, enhance and preserve affordable housing stock. Additional housing revenue made available from the Plan Amendment will provide resources for predevelopment funding for new housing initiatives, such as possible housing for transition age youth, financing agreements to create additional new housing development; seeking additional funding sources to leverage the Agency's affordable housing funds; continuing the implementation of the first time homebuyer program, the home improvement loan program, and the Affordable Housing Ordinance; as well as providing assistance for apartment acquisition and rehabilitation (including setting aside funding for energy efficiency measures) and continuing the implementation of the affordable housing preservation strategy (including setting aside funding for a supplemental program for rental subsidy assistance).

All of the proposed future initiatives are consistent with the Agency's 5-year Implementation Plan, as well as with the applicable concept and specific plans adopted for each of the historic districts. The capital component of the proposed projects is also being programmed in the City's upcoming CIP cycle, under the Redevelopment Fund projects group. Additionally, the Agency's future initiatives will be discussed in the context of the Implementation Plan Mid-term Review, which is also scheduled for Agency Board consideration and review on this evening's agenda.

Following this evening's budget mid-term review, staff will complete detailed scoping and cost estimates of proposed initiatives and return to the Agency Board in June 2011 with a proposed FY 2011/12 annual budget, capital projects appropriations and work program.

FISCAL IMPACT: None at this time. Fiscal impact of specific projects will be assessed as the proposed initiatives are considered for funding during the annual budget cycle.

ENVIRONMENTAL REVIEW: None.

ENCLOSURE: [List of proposed redevelopment projects](#)

RECOMMENDATION: Review and comment on the proposed list of Redevelopment Agency projects.